

DEPARTMENT OF PARKS AND TOURISM

Enabling Laws

Appropriation Acts: Act 31 of First Extraordinary Session, 2003 and Act 1576 of 2003; Act 97 and 226 of 2003.

AR Codes: §25-13-101, §15-11-202 to 206, §13-9-101 to 105, §27-69-201 to 207, §26-52-1006, §26-52-1006, §15-11-101 to 410, §15-11-601 to 604, §8-6-404, §19-6-484, §22-4-501 to 504, §13-5-201 to 207, §13-5-401 to 604, §19-6-484, §27-67-204, §19-5-051, §14-270-201 to 203, §13-3-101 to 108, §13-3-201 to 206..

History and Organization

The mission of the Department of Parks and Tourism is to enhance the quality of life in Arkansas by promoting, protecting, interpreting and managing the State's natural and cultural resources.

The reorganization of State government, as affected by Act 38 of 1971, gave considerable emphasis to Arkansas's travel and recreation industry. This was emphasized by the creation of the Department of Parks and Tourism and by the expansion of the overall effort of the Agency. The Department Director is appointed by the Governor and is responsible for personnel and administration; policy is set by various Commissions.

Within the Department itself, organization of the staff functions and delivery of services are divided into six defined areas with each managed by a Division Director. The Executive Director's office coordinates the overall operations of the Department and also directs the personnel, internal audit and public information functions.

The Personnel Section of the Department of Parks and Tourism works directly for the Department Director. The Personnel Section's primary functions include the personnel process, policy, affirmative action, training, human resources management, personnel records, performance evaluation, job classification and the application/interview process. It works with all Divisions of the Department to provide technical assistance, employee counseling and career planning.

The Administration Division provides administrative support for all Department Divisions in the accounting, auditing, purchasing and payroll areas, as well as the mailroom, printing reproduction, warehouse functions, and data processing service. All Department budgetary funding responsibilities are coordinated, verified, and monitored by the Administration Division.

The Arkansas State Parks, Recreation and Travel Commission, the policy board of the Parks and Tourism Divisions of the Department, has fourteen members appointed by the Governor. One is a Commissioner Emeritus (lifetime) and one represents the retirement age sector of our population. The remaining twelve members include representatives of the newspaper, radio, television, news media, recreation, and hospitality industries. Each of the four Congressional Districts of the State is represented on this Commission.

The Parks Division is the largest in the Department. It is charged with conserving and protecting the

State resources, providing recreation to the State's citizens and visitors, and enhancing the economy through tourism. The State Parks Division, founded in 1937, four years after the initial development of the first State Parks in 1933 by the National Parks Service advisors and the Civilian Conservation Corps (CCC), is responsible for the development, maintenance, and operation of 52,248 acres of land, consisting of 52 State Parks and Museums that offer a variety of natural, cultural, historical, educational, and recreational experiences. The Parks Division handles the Outdoor Recreation Grants Program from the U.S. Department of Interior, the Natural and Cultural Resources Fund for cities, the Statewide Comprehensive Outdoor Recreation Plan (SCORP), and provides technical assistance in park development and operation for cities and counties. The staff participates in statewide trail programs, environmental reviews, and conservation, recreation and environmental committees on behalf of the Department. The Arkansas Outdoor Recreation Grants Advisory Committee is organized under provisions of the Land and Water Conservation Fund Act of 1965 and the Arkansas Open Project Selection Process as approved by the National Park Service. The Committee shall consist of five members appointed by the Governor.

In 1996, Amendment 75 was passed by the voters establishing a 1/8 cent Conservation Tax to repair, renovate and improve the State Parks. In 1999, ArkansasStateParks.com web site was developed to enhance marketing, educational and informational efforts.

The State Parks Division works with the Prairie Grove Battlefield Commission, which is composed of five members appointed by the Governor, and charged with the duties and responsibilities deemed appropriate by the Commission for the preservation and development of the park commemorating those that fought the Battle of Prairie Grove.

In addition to the other functions of the Parks Division, the Historical Resources and Museum Services Section provides assistance to state, public, and non-profit museums with technical assistance. The technical assistance is designed to increase professional standards in museums; to increase cooperation among museums; and to support their endeavors as the collectors, preservers and interpreters of Arkansas heritage. The Museum Section administers the Arkansas Museum of Natural Resources at Smackover; the Arkansas Post Museum at Gillett; Prairie County Museum at Des Arc; and the Plantation Agriculture Museum at Scott.

The Arkansas Museum of Natural Resources Advisory Committee, consisting of fifteen members, appointed by the Governor, serves in an advisory capacity to the Agency. At least half of the members are residents of oil and brine producing counties of south Arkansas. The Advisory Committee advises in the establishment of policies and procedures for the development of the Arkansas Museum of Natural Resources and coordinates efforts to encourage gifts or donations to the Museum.

The Plantation Agriculture Review Committee is a five-member group appointed by the Governor to advise the Agency in the establishment of policies and procedures for the development of the Plantation Agriculture Museum and develops and coordinates efforts to encourage gifts or donations to the Plantation Agriculture Museum.

The Arkansas Post Museum was operated by Arkansas County until January 1997, when it became part of the Arkansas State Parks system. The Arkansas Post Museum Advisory Committee will consist of not less than seven nor more than nine members as determined by the Governor. At least

one member of the committee is required to be a historian by profession.

The Ozark Folk Cultural Center Commission members are selected by the seated Commission members and must be approved by the City Council of Mountain View. The nine (9) member board was created by legislation for the purpose of construction and operation of the Ozark Folk Center. The OFCCC serves as an advisory board and approves Capital Improvements/Major Maintenance Expenditures Reserve Account projects.

The overall purpose of the Tourism Division is to enrich the quality of life and improve the economy of Arkansas by generating travel and enhancing the image of the State. The Division's out-of-state efforts are to: (1) generate travel and tourism to Arkansas by utilizing sophisticated marketing techniques; (2) enhance the image of the state via advertising messages, the internet, and editorial efforts with national media; (3) encourage investment in Arkansas's tourism industry by providing an environment of cooperation and incentive where possible; and (4) encourage retirement and relocation to the state. The Division's in-state objectives are to: (1) encourage travel and tourism in Arkansas by Arkansas people; (2) build pride by image enhancement and educational efforts; (3) be a leader and advocate to build understanding and support for the important role tourism plays in the Arkansas economy; (4) work to present and preserve the image of Arkansas. In 1998, arkansas.com web site was developed to enhance marketing and promotional efforts.

The Tourism Division operates thirteen (13) Tourist Information Centers at points of entry into the State. The communication and photographic staff generates photos and articles on Arkansas, which are made available to the public and the media. A Matching Fund Program of the division makes grant monies available to recognized regional tourist promotion associations within the state for promotion of regions. A Tourism Development Section conducts hospitality training seminars, provides technical assistance to city and county governments, assists communities and businesses with tourism development plans, promotes and assists in the development of retirement and relocation to the state, and aids in the planning and promotion of local festivals. The Group Travel Section markets the state to increase visitor expenditures made by motorcoach tours, conventions and other group travelers and assists the Arkansas tourism industry in its group travel and convention marketing efforts. The Research and Information Service Section compiles statistical data and also responds to the Division's 500,000 plus annual requests for information.

The Great River Road was reorganized under the Tourism Division, for administrative purposes. The Great River Road has a policy board, the Arkansas Mississippi River Parkway Commission, composed of eleven members appointed by the Governor. One is a Commissioner Emeritus (lifetime) and the remaining ten members include representatives from the ten counties bordering the Mississippi River. The Great River Road Section is charged with preserving and promoting all tourism and historic aspects of the ten counties and also working with the other states of the International Mississippi River Parkway Commission to secure funding to complete the Parkway along the river by working in cooperation with the Arkansas State Highway and Transportation Department. This International Parkway provides a unique route for tourists from Canada to the Gulf of Mexico.

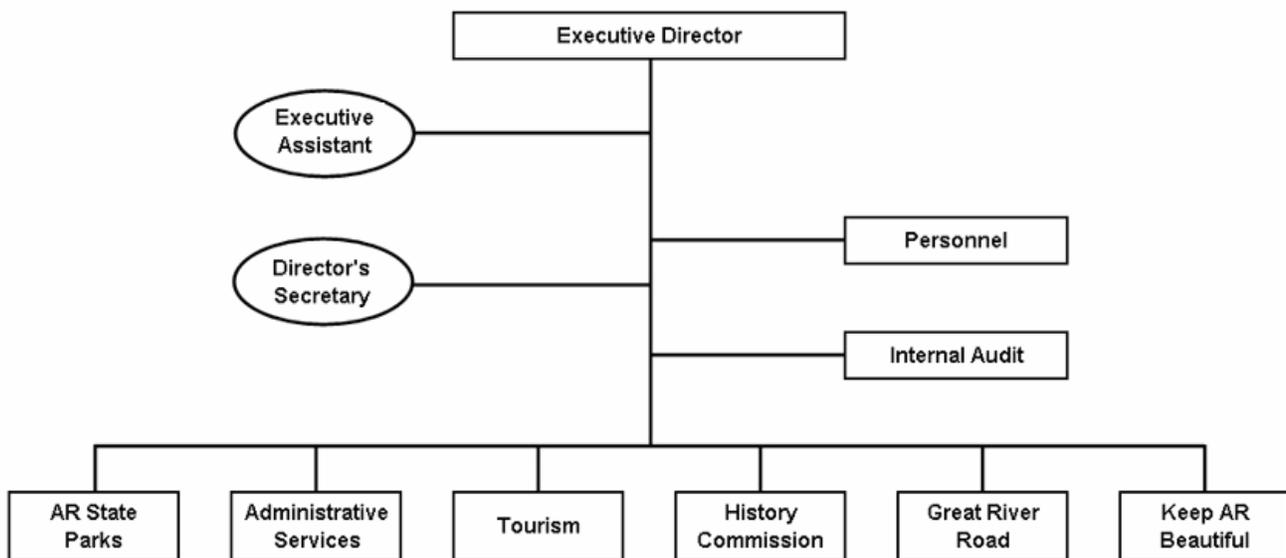
The History Commission was created by Act 215 of 1905, but its existence as a functioning State Agency was uncertain until after the passage of Act 355 by the General Assembly of 1911. The latter Act, as amended by Act 207 of 1963, is the basic law under which the Commission operates.

This fundamental act charges the History Commission with the responsibility of keeping and caring for the official archives of the State, collecting materials relating to Arkansas history, and encouraging historical source materials such as documents, newspaper files, maps and photographs. A documents restoration laboratory and a microfilm section assist with preservation. In 1996, Ark-ives.com web site was developed to enhance educational and informational efforts.

The History Commission itself is composed of seven members appointed by the Governor with the approval of the Senate. Since the passage of Act 38 of 1971, the Commission has operated within the Department of Parks and Tourism. The Arkansas Black History Advisory Committee, created by Act 1233 of 1991, operates in connection with the History Commission.

The Keep Arkansas Beautiful Commission (KArB) was established in 1989 by Executive Order of the Governor. Since 1993, the Keep Arkansas Beautiful Commission has been a division of the Department of Parks and Tourism. In 1996, Amendment 75 the Conservation Amendment created funding for the Keep Arkansas Beautiful Commission. Act 1278 of 1997 superceded the Executive order and re-created the KArB Commission and a new Commission was appointed by the Governor, consisting of nine Commissioners appointed to six-year terms. Two members are appointed from each of the four Congressional Districts and one from the state at-large. In 2000, KeepArkansasBeautiful.com web site was developed to enhance marketing, educational and informational efforts.

Keep Arkansas Beautiful is charged with: (1) raising public awareness of our litter problem; (2) educating the general public of the economics and ecological impact of litter; (3) encouraging litter prevention; (4) increasing awareness of litter laws and enforcement; (5) promoting recycling and recycling benefits to consumers; (6) generating interest in beautification projects; (7) supporting communities statewide in establishing litter prevention programs, ongoing recycling campaigns, and beautification projects.



Agency Commentary

Administration Division

The Administration Division provides centralized management and administrative services for the Department. These services include internal audit, personnel, accounting, purchasing, budgeting, computer/network services, printing and warehousing. In addition, overall department coordination, direction and liaison with the Governor, Legislature and various Commissions are responsibilities of this division.

The Administration Division requests an increase in the maintenance and operations line item to cover normal cost of doing business in order to maintain the current level of operations. In addition, there is a request for capital equipment funding to replace a 24-year-old offset printing press and a folding machine at the warehouse/print shop. The Administrative Division's share of the Department's Technology Plan includes funds for replacement computers, software updates, network services, and some training.

The Administration Division is seeking an Accounting Technician I position to assist in the accounts receivable/payroll office and to restore a User Support Analyst position in the management information systems section. The Administration Division is seeking to have thirteen (13) specific positions reclassified, and three (3) positions to be reclassified to a higher title in a CLIP ladder series. The duties of these positions have grown tremendously in scope and responsibility to warrant reclassification. Also, the current pay grades of these positions are inadequate to attract and retain a knowledgeable work force for what is required in their specific functions. The Administration Division is also seeking an upgrade for the position of Parks and Tourism Personnel Manager. This upgrade request will bring this position up to a level comparable with other such positions in other agencies of or near our size.

Tourism Division

The Department's Tourism Division has an over-riding mission: to contribute to improving the economy of the State of Arkansas. It does this via several objectives: enhancing the image of the state, generating travel to Arkansas, and encouraging retirement/relocation to the Natural State. Given the quick and lucrative returns possible in the tourism industry, most state governments have made it a priority in their overall economic development plans. Arkansas's competitive states are certainly no exception, each devoting extensive resources to attracting the next season's visitors. They're improving their websites, purchasing more television exposure, and buying more newspaper and magazine ads - all aimed at getting into the mindsets of potential visitors and influencing their travel decisions. For Arkansas to maintain and increase its market share, the state's tourism promotion efforts must be expanded.

The Tourism Division's request for additional general revenue is to recover monies lost in recent budget cuts (advertising, retirement/relocation, feasibility study grants). Appropriation increases are requested for the *Tourism Development Trust Fund* (the state's 2% tourism tax) for advertising, regional matching fund grants, and capital expenditures (for replacement vehicles and photographic equipment). Additional monies are also requested for technological improvements/advancements.

Parks Division

The State Parks Division operates 52 state parks and museums covering over 52,500 acres of forest, wetlands, fish and wildlife habitat, outdoor recreation facilities and unique historic and cultural resources. The system includes over 900 buildings (including 183 historic structures) in its inventory with the buildings and contents insured for over \$202 million. Our state parks have over 1,770 campsites, over 960 picnic sites, 119 cabins, four lodges (218 guest rooms), seven restaurants, eight marinas, 315 miles of hiking trails, over 120 miles of roads, and 268 miles of utilities. The parks have over 9 million visitors each year who come from all regions of the country. In fiscal year 2004 the parks took in over \$13.5 million in revenue. Each park is similar to a small city, except the population changes every week. There are constant maintenance needs with buildings, recreational facilities, roads, and utility systems. There are customer service, law enforcement, fire protection, visitor safety and security responsibilities to be concerned with on a daily basis.

Personnel Request: The State Parks Division requests 17 new positions and 49 restored positions. Most of these are needed to staff new state park facilities, including Mt. Magazine, Bull Shoals, Lake Fort Smith, and Hobbs State Parks. Parks also requests that 13 specific positions be reclassified and 92 positions be reclassified to a higher title in a CLIP ladder series. The CLIP reclassifications will change the job title of Parks Administrative Support Coordinator (PASC) to Administrative Assistant II, and Park Interpreter to a new title, Park Interpreter II. The job duties of these positions have increased and changed in scope and responsibility to warrant reclassification. We also ask for an upgrade for the position of Program Services Director, from Grade 23 to Grade 25, in order to bring this position in line with the prevailing market rates. This is the only such title in State government; therefore, this upgrade will affect only this one job.

General Revenue: With few exceptions, the General Revenue request provides for Base Level and is several hundred thousand dollars below FY01 funding. It would be very helpful to restore this general revenue to the budget, and the only reason we have not requested it back is due to the austere budget instructions. An increase of \$304,477 (FY06) and \$313,154 (FY07) is requested for the COLA, CLIP, reclassified positions, one restored position, and one upgrade.

Parks Cash Fund: Generated from the numerous retail facilities and services provided at the state parks and museums, this is the major operating fund for their operations. An increase in extra help of \$61,462 (FY06) and \$245,848 (FY07) is necessary to operate the Mt. Magazine Lodge and Cabin complex that will open in the spring of '06. An increase in payroll matching of \$12,292 (FY06) and \$49,170 (FY07) is required for the large number of employees who will operate the Mt. Magazine Lodge complex and a COLA for returning extra help employees who operate and maintain the numerous revenue facilities in the system.

With the opening of the Mt. Magazine Lodge and 13 cabins, an increase in purchase for resale of \$89,801 (FY06) and \$439,473 (FY07) is necessary to operate the restaurant, gift shop and related retail sales. This request also includes expected annual increases from suppliers for all of the park system's locations that sell food, gifts and merchandise. The division is evaluating the option of contracting with a management company to operate the Mt. Magazine Lodge Complex. Should this option be selected, an appropriation of \$538,002 (FY06) and \$554,142 (FY07) will be needed.

An increase of \$7,700 each fiscal year is necessary to address training needs of park staff responsible for administering, managing, and operating a complex business that generates over \$14 million in revenue annually. In order to replace deteriorated equipment and vehicles, our request is to re-establish the capital outlay line item in the amount of \$50,000 each year of the biennium for the central office and regional offices. Additionally, there is a need to increase professional fees by \$100,000 each year in order for the Ozark Folk Center to increase their operating revenues through their popular celebrity concert series. This request also includes funding for the Division's advertising and web sites budgets, essential in informing and attracting visitors to the 52 state parks.

Amendment 75: 1/8¢ Conservation Tax - The request is to continue the long term plan to repair, renovate, improve, expand and properly equip the 52 state parks. An additional \$2,901,279 each year of the biennium in maintenance and operations (M & O) is needed to operate the new visitor information/environmental education centers completed at Lake Dardanelle and Cossatot River, and the one planned for Bull Shoals-White River. This request also includes funding for the Mt. Magazine Lodge Complex and the relocated and expanded Lake Ft. Smith State Park, which will open in the spring/summer 2006. Lastly, the increase also covers M & O throughout the state park system due to the reduction in the Parks Cash Fund M & O commitment item and is necessary to maintain a \$1.4 million cash fund balance required in the bond insurance policy for the Mt. Magazine Lodge project. The second request is to re-establish continuing level for each year of the biennium of \$1,295,334 to continue to replace worn out equipment throughout the state park system.

Arkansas Museum of Natural Resources: This request provides for an increase of \$9,974 (FY06) and \$10,000 (FY07) in M & O needed to maintain the 25,000 sq. ft. museum and historic outdoor oil field equipment and related exhibits. Additional increases of \$6,500 each year are requested to maintain the museum's exhibits and aging facilities, \$500 each year for training museum staff, and \$21,500 each year to fund purchase for resale for the gift shop. Funding is provided for these appropriations from the Oil & Brine Severance Tax and the Museum's Cash receipts.

Outdoor Recreation Grants Program: Extra help appropriation of \$14,760 (FY06) and \$15,210 (FY07) is needed to continue recording and digitizing over 1,100 extensive grant files for the ongoing monitoring and compliance with state and federal grant requirements. Payroll matching of \$4,428 (FY06) and \$4,563 (FY07) is needed for the extra help position. Additional appropriation of \$12,980 is needed to replace deteriorated office equipment, outdated computers, and official business travel due to increased inspections and grantee training resulting in additional grants funded by the Tobacco Settlement Proceeds Act. Capital outlay appropriation of \$30,000 is requested each year for vehicle replacement. *Federal Land & Water Conservation Fund (LCWF)* - Regular salaries and matching increases of \$77,769 (FY06) and \$79,872 (FY07) are requested should the Conservation and Reinvestment Act grant program of LWCF be funded. *Tobacco Settlement Proceeds Act* - Known as the "Trails for Life Program", an increase of \$466,200 (FY06) and \$306,000 (FY07) is necessary for the disbursement of grants to local and county governments to build health and fitness trails.

Keep Arkansas Beautiful

The Keep Arkansas Beautiful Program is primarily funded by the 1/8¢ Conservation Amendment but also receives some revenue from litter law enforcement fines. It is responsible for the coordination of anti-litter efforts, encouraging recycling, and promotion of scenic beautification. Program growth has resulted in the establishment of an active network of local affiliated communities which undertake

environmental improvements within their local areas as well as participation in statewide activities. The program utilizes the voluntary efforts of citizens working with governmental organizations to accomplish these programs, contributing more than \$5.00 in cost avoidance benefit value to each program dollar. To strengthen this relationship, we wish to increase communication, knowledge and training opportunities offered by the program. Finally, capital outlay is requested to replace the aged program vehicle with one that is suitable for the requirements of frequent travel for hauling equipment and supplies to program events, presentations, and activities.

History Commission

Our budget request is Base Level, as well as: (1) additional funds to increase maintenance and operations in order to improve the agency in areas that have had insufficient funding in prior years; (2) funds for operating the Southwest Arkansas Regional Archives to be incorporated into the Arkansas History Commission, enabling the Southwest Arkansas Regional Archives to continue operating their archives and expanding the Arkansas History Commission's resources to better serve the entire state; (3) discontinue \$10,000 grant to Southwest Arkansas Regional Archives due to the Arkansas History Commission assuming all of their operating expenses; and (4) funds for information technology for the Arkansas History Commission and the Southwest Arkansas Regional Archives for computer equipment and the establishment of combined networking.

The Arkansas History Commission also requests that the authorized spending level from our cash fund be increased by \$24,000 for each year of the biennium in order to include the Southwest Arkansas Regional Archives cash funds with those of the Arkansas History Commission. The cash fund is derived from sales of microfilm, photographs, and photocopies.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF PARKS AND TOURISM
FOR THE YEAR ENDED JUNE 30, 2002

Findings

On August 15, 2003, an agency investigation at the DeGray Lake Resort State Park revealed a shortage of funds from the marina in excess of \$3,000. Three (3) employees were arrested and charged with a class B felony theft of funds from April 2003 through August 12, 2003. As of our audit date, the investigation was continuing by the Arkansas State Police and no court date had been set. The schemes involved taking cash using false refunds on cash register tapes and on sales receipts, pocketing cash without ringing up sales on the cash register, keeping cash while recording no sales on the register and writing receipts and then destroying the receipts and keeping the money. Various internal control weaknesses were noted as described below:

- All sales receipts and refunds were not accounted for and reconciled to the cash register on a daily basis.
- Sales receipts in some instances were not being filled out in their entirety.
- Sales receipts were not retained in numerical order.

Recommendations

The Agency develop written procedures for handling marina sales at all park locations and that all receipts be accounted for and reconciled on a daily basis. In addition, that all receipts be completed in their entirety and retained in numerical order. All cancellations and refunds should have supervisory approval and a receipt should be given to each customer.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF PARKS AND TOURISM
FOR THE YEAR ENDED JUNE 30, 2002

Findings

Recommendations

- Management had no written procedures to account for marina sales.
- Numerous cancellations and refunds were processed without supervisory approval.
- Receipts were not given to customers in numerous transactions.

As noted in previous audits, management's ability to exercise oversight responsibility over fixed assets has been compromised due to inaccuracies in the accounting records. Some of the deficiencies noted were as follows:

- The beginning balance in the Arkansas Statewide Information System (AASIS) was overstated \$18,716,150.
- Buildings were overstated \$16,798,081 on AASIS at two (2) state parks due to keying errors.
- Donated buildings valued at \$4,000,000 were omitted on AASIS for Petit Jean State Park.
- Improvements at four (4) state parks were understated \$10,984,367 on AASIS.
- Prior year audit adjustments totaling \$19,601,423 had not been recorded on AASIS.
- Complete subsidiary ledgers for land, buildings, improvements and infrastructure were not maintained.
- Due to inadequate documentation maintained by the Agency, we were unable to substantiate the balance recorded in AASIS for construction in progress at June 30, 2002. The low balance recorded by the Agency on AASIS at June 30, 2002 of \$494,777, compared to \$36,050,034 at June 30, 2001, suggests that this category is materially understated. The balance at June 30, 2002 of \$27,124,126 as presented in the notes to the financial statements was compiled during the audit from Agency individual park records.

The conditions noted above, together with the lack of adequately written policies and procedures and inadequate management supervision, contribute to the Agency's inability to conform to proper financial reporting

Arkansas Administrative Statewide Information System (AASIS) fails to provide adequate controls to ensure the reliability of financial data, and, therefore, does not adequately safeguard the financial assets of the agency. Specifically, the security configuration does not provide adequate segregation of duties in an environment with a limited number of personnel, resulting in an excessive number of conflicts regarding the restricted access to financial data and data entry.

Management provide training to employees, develop adequate procedures and implement controls to Insure accountability over fixed assets.

The Agency work with the AASIS staff to train additional personnel in order to resolve conflicts and maximize the segregation of duties.

Employment Summary

	Male	Female	Total	%
White Employees	309	224	533	88 %
Black Employees	23	33	56	9 %
Other Racial Minorities	6	8	14	3 %
	Total Minorities		70	12 %
	Total Employees		603	100 %

Publications

A.C.A 25-1-204

Name	Statutory Authorization	Required for		# Of Copies	Reason (s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Department Appropriation / Program Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation / Program	2003-2004		2004-2005		2004-2005		2005-2006				2006-2007			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
1MH Trails for Life-Treasury	0	0	300,000	0	300,000	0	766,200	0	766,200	0	606,000	0	606,000	0
1VH Motorcoach Incentive	0	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
21J SCORP Program-Federal	871,634	0	6,618,416	0	6,692,480	2	6,696,185	2	6,696,185	2	6,692,267	2	6,692,267	2
433 Museum of Natrl Rsrcs-Spec	82,676	2	101,157	2	112,094	2	114,605	2	114,605	2	117,319	2	117,319	2
499 State Operations	18,543,623	470	18,869,961	456	19,707,930	462	20,239,508	462	19,954,402	460	20,710,468	462	20,420,221	460
500 Conservation Tax	26,674,296	64	30,264,310	79	30,549,091	105	34,395,459	110	34,356,175	110	34,499,462	110	34,459,009	110
501 Museum Natural Resources-Tax	66,251	0	66,500	0	66,500	0	66,500	0	66,500	0	66,500	0	66,500	0
502 Keep Arkansas Beautiful	495,750	3	538,593	3	529,241	3	593,669	3	588,669	3	572,044	3	567,044	3
504 Tourism Promotion	8,411,226	7	9,713,094	7	10,083,804	7	10,608,444	7	10,590,444	7	11,082,946	7	11,064,946	7
579 Outdoor Recreation Grants	1,428,423	5	5,338,276	5	5,329,378	5	7,748,874	5	5,393,563	5	8,939,198	5	5,400,744	5
984 Museum Natural Resources-Treas	195,616	6	243,663	7	274,335	7	282,958	7	282,958	7	289,446	7	289,446	7
986 Parks Treasury Paying	14,204,692	88	16,632,441	101	22,161,490	120	18,412,040	129	18,373,829	128	19,104,926	129	19,065,587	128
994 Retirement/Relocate Promotion	218,268	0	228,278	0	250,000	0	250,000	0	228,278	0	250,000	0	228,278	0
995 Tourism-Treasury Paying	27,610	0	65,200	0	65,200	0	65,200	0	65,200	0	65,200	0	65,200	0
996 Entertainers Hall of Fame-Treas	28,766	0	49,633	0	75,347	0	49,633	0	49,633	0	49,633	0	49,633	0
Total	71,248,831	645	89,129,522	660	96,296,890	713	100,389,275	727	97,626,641	724	103,145,409	727	99,192,194	724

Funding Sources			%		%		%		%		%		%
Fund Balance	4000005	28,798,093	30.1	24,494,948	24.7	9,988,863	11.1	9,988,863	11.1	468,268	0.5	478,937	0.6
General Revenue	4000010	18,273,400	19.1	18,364,488	18.5	20,489,508	22.7	20,182,680	22.5	20,960,468	24.3	20,648,499	24.0
Federal Revenue	4000020	871,634	0.9	6,618,416	6.7	6,696,185	7.4	6,696,185	7.5	6,692,267	7.8	6,692,267	7.8
Special Revenue	4000030	2,241,305	2.3	2,123,175	2.1	2,693,904	3.0	2,693,904	3.0	3,096,516	3.6	3,096,516	3.6
Cash Fund	4000045	14,153,031	14.8	14,318,154	14.4	15,532,378	17.2	15,532,378	17.3	17,933,611	20.8	17,933,611	20.9
Trust Fund	4000050	8,631,337	9.0	9,320,827	9.4	10,066,496	11.2	10,066,496	11.2	10,871,813	12.6	10,871,813	12.7
Merit Adjustment Fund	4000055	488,491	0.5	733,751	0.7	0	0.0	0	0.0	0	0.0	0	0.0
Insurance Fund Proceeds	4000299	173,628	0.2	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Interest Income / Royalties	4000307	17,792	0.0	22,293	0.0	20,089	0.0	20,089	0.0	17,167	0.0	17,167	0.0
Special 1/8% Tax Revenues	4000460	22,095,068	23.1	22,822,333	23.0	24,377,997	27.0	24,377,997	27.1	25,900,779	30.0	25,900,779	30.1
Tobacco Settlement	4000495	0	0.0	300,000	0.5	300,000	0.4	300,000	0.3	300,000	0.4	300,000	0.3

Funding Sources		%		%		%		%		%		%	
Total Funds	95,743,779	100.0	99,118,385	100.0		90,165,420	100.0	89,858,592	100.0	86,240,889	100.0	85,939,589	100.0
Excess Appropriation/(Funding)	(24,494,948)		(9,988,863)			10,223,855		7,768,049		16,904,520		13,252,605	
Grand Total	71,248,831		89,129,522			100,389,275		97,626,641		103,145,409		99,192,194	

The FY07 fund balance of \$468,268 is the result of the receipt in FY04 for awards in arrears from Tobacco Settlement Funding for the Trails for Life Program (Appropriation 1MH).

The FY04 Budgeted amount exceeds the authorized amount (Appropriations 502 & 579) due to salary and matching rate adjustments in Regular Salaries and Personal Services Matching.

Analysis of Budget Request

Appropriation / Program: 1MH - Trails for Life-Treasury

Funding Sources: NPT Cash in Treasury (Parks Treasury Fund)

This appropriation is funded by proceeds derived from the Department of Health - Tobacco Settlement Proceeds Act for grants to cities and counties for the purpose of constructing health and fitness trails and other related facilities that target public health and fitness improvements in their communities.

The Agency Request is for Base Level, with an increase of \$466,200 in FY06 and \$306,000 in FY07 to provide additional appropriation in order to support disbursement of local and county government grants as provided by the Tobacco Settlement Act.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 1MH Trails for Life-Treasury
Funding Sources: NPT Cash in Treasury (Parks Treasury Fund)

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	300,000	300,000	300,000	766,200	766,200	300,000	606,000	606,000
Total	0	300,000	300,000	300,000	766,200	766,200	300,000	606,000	606,000
Funding Sources									
Fund Balance 4000005	900,000	907,059		918,619	918,619	918,619	927,760	461,560	461,560
Interest Income / Royalties 4000307	7,059	11,560		9,141	9,141	9,141	6,000	6,000	6,000
Tobacco Settlement 4000495	0	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Total Funding	907,059	1,218,619		1,227,760	1,227,760	1,227,760	1,233,760	767,560	767,560
Excess Appropriation/(Funding)	(907,059)	(918,619)		(927,760)	(461,560)	(461,560)	(933,760)	(161,560)	(161,560)
Grand Total	0	300,000		300,000	766,200	766,200	300,000	606,000	606,000

Parks and Tourism is awarded \$300,000 annually from the Tobacco Settlement Fund for local grants for the construction of natural area trails. A bulk award of \$900,000 was awarded in FY04 for awards in arrears.

This appropriation was formerly B85, a Cash in Bank Account which has since moved to the State Treasury.

Change Level by Appropriation

Appropriation / Program: 1MH-Trails for Life-Treasury
Funding Sources: NPT Cash in Treasury (Parks Treasury Fund)

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	300,000	0	300,000	100.0	300,000	0	300,000	100.0
C01	Existing Program	466,200	0	766,200	255.4	306,000	0	606,000	202.0

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	300,000	0	300,000	100.0	300,000	0	300,000	100.0
C01	Existing Program	466,200	0	766,200	255.4	306,000	0	606,000	202.0

Justification

C01	An increase of \$466,200 in FY06 and \$306,000 in FY07 is needed to allow the disbursement of grants to local and county governments as provided by the Tobacco Settlement Proceeds Act.
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Analysis of Budget Request

Appropriation / Program: 1VH - Motorcoach Incentive

Funding Sources: MCP Motorcoach Carrier Incentive Program

A.C.A. §23-13-501 establishes a Financial Incentive Program for Motorcoach Carriers. This program promotes tourism by providing a financial incentive to eligible motorcoach carriers who transport tourists in Arkansas.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 1VH Motorcoach Incentive
Funding Sources: MCP Motorcoach Carrier Incentive Program

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Motorcoach Incentive Payments5900046	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources									
Special Revenue 4000030	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Total Funding	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000

Analysis of Budget Request

Appropriation / Program: 2JJ - SCORP Program-Federal

Funding Sources: FPT Parks & Tourism - Federal

The Department utilizes this appropriation to provide for the Outdoor Recreation Grant Program and the Development of the Statewide Comprehensive Outdoor Recreation Plan. This appropriation is funded by the Federal Land and Water Conservation Fund Program.

The Change Level Requests totaling \$77,769 in FY06 and \$79,872 in FY07 are based on expectation of the Conservation and Reinvestment Grant provided by the Federal Land & Water Conservation Fund.

The primary avenue for funding administration of the Outdoor Recreation Grant Program is driven by proceeds from the Real Estate Transfer Tax (Appropriation 579). Two (2) positions are requested to be restored in the event that additional staffing is required for the administration of Federal Land & Water Conservation Grant Funding.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 2JJ SCORP Program-Federal
Funding Sources: FPT Parks & Tourism - Federal

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	0	0	56,912	0	57,076	57,076	0	58,788	58,788
#Positions	0	0	2	0	2	2	0	2	2
Personal Services Matching 5010003	0	0	17,152	0	20,693	20,693	0	21,084	21,084
Operating Expenses 5020002	13,123	25,800	25,800	25,800	25,800	25,800	25,800	25,800	25,800
Travel-Conference Fees 5050009	601	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	857,910	6,588,016	6,588,016	6,588,016	6,588,016	6,588,016	6,581,995	6,581,995	6,581,995
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	871,634	6,618,416	6,692,480	6,618,416	6,696,185	6,696,185	6,612,395	6,692,267	6,692,267
Funding Sources									
Federal Revenue 4000020	871,634	6,618,416		6,618,416	6,696,185	6,696,185	6,612,395	6,692,267	6,692,267
Total Funding	871,634	6,618,416		6,618,416	6,696,185	6,696,185	6,612,395	6,692,267	6,692,267
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	871,634	6,618,416		6,618,416	6,696,185	6,696,185	6,612,395	6,692,267	6,692,267

Change Level by Appropriation

Appropriation / Program: 2JJ-SCORP Program-Federal
Funding Sources: FPT Parks & Tourism - Federal

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	6,618,416	0	6,618,416	100.0	6,612,395	0	6,612,395	100.0
C01	Existing Program	77,769	2	6,696,185	101.1	79,872	2	6,692,267	101.2

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	6,618,416	0	6,618,416	100.0	6,612,395	0	6,612,395	100.0
C01	Existing Program	77,769	2	6,696,185	101.1	79,872	2	6,692,267	101.2

Justification

C01	This request is based on expectation of the Conservation and Reinvestment Grant provided by the Federal Land & Water Conservation Fund.
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Analysis of Budget Request

Appropriation / Program: 433 - Museum of Natrl Rsrcs-Spec

Funding Sources: SAH Arkansas Oil Museum Fund

The Department utilizes this appropriation to provide operating expenses for the Museum of Natural Resources (*formerly the Oil and Brine Museum*). Pursuant to Arkansas Code §25-58-301, this appropriation receives its income from the 1/2 Cent Tax on each barrel of oil produced in the State.

Base Level for this appropriation includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching for two (2) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency Request is for Base Level, with an additional \$9,974 in FY06 and \$10,000 in FY07 for necessary repairs and renovations for exhibits and oil field equipment.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 433 Museum of Natrl Rsrcs-Spec
Funding Sources: SAH Arkansas Oil Museum Fund

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	62,872	70,833	82,831	72,957	72,957	72,957	75,145	75,145	75,145
#Positions	2	2	2	2	2	2	2	2	2
Personal Services Matching 5010003	19,229	22,964	21,903	24,314	24,314	24,314	24,814	24,814	24,814
Operating Expenses 5020002	575	7,360	7,360	7,360	17,334	17,334	7,360	17,360	17,360
Travel-Conference Fees 5050009	0	0	0	0	0	0	0	0	0
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	82,676	101,157	112,094	104,631	114,605	114,605	107,319	117,319	117,319
Funding Sources									
Fund Balance 4000005	29,337	34,300		25,825	25,825	25,825	6,708	6,708	6,708
Special Revenue 4000030	87,639	92,682		85,514	95,488	95,488	98,353	98,353	98,353
Total Funding	116,976	126,982		111,339	121,313	121,313	105,061	105,061	105,061
Excess Appropriation/(Funding)	(34,300)	(25,825)		(6,708)	(6,708)	(6,708)	2,258	12,258	12,258
Grand Total	82,676	101,157		104,631	114,605	114,605	107,319	117,319	117,319

The FY05 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2003-2005 biennium.

Change Level by Appropriation

Appropriation / Program: 433-Museum of Natrl Rsrcs-Spec

Funding Sources: SAH Arkansas Oil Museum Fund

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	104,631	2	104,631	100.0	107,319	2	107,319	100.0
C01	Existing Program	9,974	0	114,605	109.5	10,000	0	117,319	109.3

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	104,631	2	104,631	100.0	107,319	2	107,319	100.0
C01	Existing Program	9,974	0	114,605	109.5	10,000	0	117,319	109.3

Justification

C01	An increase of \$9,974 in FY06 and \$10,000 in FY007 is needed to properly maintain the 25,000 sq. ft. museum, which includes a 12,000 sq. ft. exhibit gallery. Repairs and renovations are needed to many of the original exhibits, along with the ongoing outdoor wooden and steel derricks and oil field equipment.
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Analysis of Budget Request

Appropriation / Program: 499 - State Operations

Funding Sources: HGA Parks & Tourism Account

This appropriation provides State Funding for the personal services and operating expenses of the Central Administration, Tourism (including Great River Road), and Parks (including Museum Services) Divisions of the Department of Parks and Tourism. General Revenues fund this appropriation.

Base Level for this appropriation includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching for four hundred and fifty-six (456) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Change Level Requests total \$572,660 in FY06 and \$550,304 in FY07. The Agency's request reflects the following changes:

Salary and Matching costs totaling \$157,902 in FY06 and \$162,164 in FY07 are requested for one (1) new Accounting Tech I to provide assistance with Accounts Receivable/Payroll; and to restore five (5) positions: Three (3) Lake Ft. Smith positions, one (1) Journeyman Carpenter to address maintenance issues system-wide, and one (1) User Support Analyst.

Additional Operating Expense totaling \$8,100 in FY06 and \$8,300 in FY07 to cover a 3% inflation factor for maintenance and operating expenses in central administration.

Additional Capital Outlay totaling \$43,200 in FY06 and \$8,800 in FY07 to replace a 24 year-old printing press and brochure folder.

Grants and Aid totaling \$27,412 each year to restore funding to the Feasibility Grant Program for local governments.

Additional Advertising totaling \$20,000 each year to restore marketing funding, reduced in the previous biennium, that will foster growth in Arkansas Tourism.

Technology totaling \$56,000 each year for hardware, software, network services and training.

CLIP reclassification requests totaling \$196,610 in FY06 and \$202,352 in FY07 for sixty-two (62) positions, including thirty (30) Parks & Tourism Support Coordinators (Grade 14, Non-CLIP) to Administrative Assistant II (Grade 17, CLIP) and twenty-three (23) Park Interpreters (Grade 18, Non-CLIP) to be reclassified to Park Interpreter II (Grade 19, CLIP) in order to provide career incentives.

Reclassifications totaling \$55,677 in FY06 and \$57,294 in FY07 for twenty-one (21) various positions that do not accurately reflect work being performed.

Upgrade requests totaling \$7,759 in FY06 and \$7,982 in FY07 for two (2) management positions that have evolved into positions of significant responsibility.

The Executive Recommendation provides for Base Level. In addition, the Executive Recommendation provides for: additional Capital Outlay totaling \$43,200 in FY06 and \$8,800 in FY07 for purchase of a new printing press and folder; additional Salary and Matching totaling \$120,557 in FY06 and \$123,826 in FY07 for restoration of a Parks & Tourism Admin Support Coordinator, Park Tech I, Park Aide II, and User Support Analyst; and additional Salary and Matching totaling \$123,807 in FY06 and \$127,441 in FY07 for various position reclassifications and upgrades, including thirty (30) Parks & Tourism Support Coordinators (Grade 14 to Grade 16).

Appropriation / Program Summary

Appropriation / Program: 499 State Operations
Funding Sources: HGA Parks & Tourism Account

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	12,758,715	12,851,295	13,555,150	13,367,434	13,689,023	13,553,914	13,769,191	14,100,423	13,961,295
#Positions	470	456	462	456	462	460	456	462	460
Extra Help 5010001	12,927	13,032	13,032	13,032	13,032	13,032	13,032	13,032	13,032
#Extra Help	7	9	19	19	19	19	19	19	19
Personal Services Matching 5010003	3,975,523	4,468,927	4,041,233	4,799,675	4,896,034	4,857,549	4,891,234	4,989,794	4,950,387
Operating Expenses 5020002	729,325	459,916	968,007	459,916	517,916	459,916	459,916	518,116	459,916
Travel-Conference Fees 5050009	2,030	4,950	11,255	4,950	11,050	4,950	4,950	11,050	4,950
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	22,588	22,588	50,000	22,588	50,000	22,588	22,588	50,000	22,588
Capital Outlay 5120011	61,208	50,000	50,000	0	43,200	43,200	0	8,800	8,800
Tourist Promotion 5900046	278,317	316,263	316,263	316,263	316,263	316,263	316,263	316,263	316,263
Advertising Expense 5900047	702,890	682,890	702,890	682,890	702,890	682,890	682,890	702,890	682,890
Conference - DAC 5900048	100	100	100	100	100	100	100	100	100
Total	18,543,623	18,869,961	19,707,930	19,666,848	20,239,508	19,954,402	20,160,164	20,710,468	20,420,221
Funding Sources									
General Revenue 4000010	18,055,132	18,136,210		19,666,848	20,239,508	19,954,402	20,160,164	20,710,468	20,420,221
Merit Adjustment Fund 4000055	488,491	733,751		0	0	0	0	0	0
Total Funding	18,543,623	18,869,961		19,666,848	20,239,508	19,954,402	20,160,164	20,710,468	20,420,221
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	18,543,623	18,869,961		19,666,848	20,239,508	19,954,402	20,160,164	20,710,468	20,420,221

The FY05 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2003-2005 biennium.

Actual Expenditures in FY04 exceed authorized in Capital Outlay due to a transfer from the DFA Motor Vehicle Fund.

Change Level by Appropriation

Appropriation / Program: 499-State Operations
Funding Sources: HGA Parks & Tourism Account

Agency Request

Change Level	2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL Base Level	19,666,848	456	19,666,848	100.0	20,160,164	456	20,160,164	100.0
C01 Existing Program	276,198	6	19,943,046	101.4	246,860	6	20,407,024	101.2
C08 Technology	56,000	0	19,999,046	101.6	56,000	0	20,463,024	101.5
C09 CLIP Reclass	177,026	0	20,176,072	102.5	182,168	0	20,645,192	102.4
C10 Reclass	55,677	0	20,231,749	102.8	57,294	0	20,702,486	102.6
C11 Upgrade/Downgrade	7,759	0	20,239,508	102.9	7,982	0	20,710,468	102.7

Executive Recommendation

Change Level	2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL Base Level	19,666,848	456	19,666,848	100.0	20,160,164	456	20,160,164	100.0
C01 Existing Program	162,969	4	19,829,817	100.8	131,833	4	20,291,997	100.6
C08 Technology	0	0	19,829,817	100.8	0	0	20,291,997	100.6
C09 CLIP Reclass	22,138	0	19,851,955	100.9	22,803	0	20,314,800	100.7
C10 Reclass	31,089	0	19,883,044	101.1	31,998	0	20,346,798	100.9
C11 Upgrade/Downgrade	71,358	0	19,954,402	101.4	73,423	0	20,420,221	101.2

Justification

C01	ADMIN: 3% inflation factor for M&O to cover cost of doing business to maintain current operations. \$43,200 in FY06 to replace an 24 yr. old 360 Offset Press, and \$8,800 to replace the folder in FY07. NEW - Accounting Tech I (12) to assist in AR/AP. RESTORE - ADMIN: User Support Analyst (20) to assist with requests from Park's 700+ employees. PARKS: Park Admin Support Coord., Park Tech I and Park Aide II for the new Lake Ft. Smith State Park open in 2006; and a Journeyman Carpenter to address the backlog of maintenance projects. TOURISM: 1) Restore funds to the Feasibility Grant Program. Experts say one of the biggest problems facing Arkansas tourism is a dearth of new attractions. 2) Restore funds to the advertising program that will allow it to invest toward marketing Arkansas.
C08	ADMIN: This request is for WAN network services, computer hardware, computer software, and training. The requested amount is the Administration division's share of the Department's Technology Plan.
C09	ADMIN: One (1) Mgmt. Project Analyst I (18) to Mgmt. Project Analyst II (20)*; One (1) Document Examiner II (12) to Acct. Tech. II (15) in AP whose responsibilities have evolved; One (1) Admin. Asst. II (17) to Mgmt. Project Analyst II (20) responsible for FMLA processes. PARKS: Thirty (30) P&T Support Coordinators (14) to Administrative Asst. II (17) because these employees serve as the primary administrative personnel in all State Park field locations; Twenty-three (23) Park Interpreters (18) to Park Interpreter II (19) who meet the qualifications of a newly proposed CLIP series designed to foster growth and skills in park interpretation; Four (4) Admin. Asst. I (15) to Admin. Asst. II (17) responsible for monitoring expenditures, handling complaints, analyzing internal orders, and training staff; and Two (2) Mgmt. Project Analyst I (18) to Mgmt. Project Analyst II (20)*. NOTE(*) - these 3 positions are responsible for major components of the Department's \$114 million annual budget, monitoring fiscal transactions, and interpreting/implementing policies and procedures.
C10	ADMIN: Three (3) Accountant (18) to Acct. Sup. I (20) for positions that are 2nd in command for their sections of AR/AP, Payroll, and Fixed Assets; Two (2) Acct. Sup. II (21), and one (1) Grants Adm. Supervisor (21) to P&T Acct. Supervisor (22) to attract and retain employees with the accounting skills required to meet state standards; One (1) Purchasing Mgr. (21) to Procurement Mgr. (22), and Two (2) Purchasing Agent II (18) to Buyer III (19) for positions with a broad spectrum and volume of commodities, materials, equipment, and services; One (1) Central Warehouse Sup. (19) to Print Shop Mgr. (20) for a position that manages the warehouse and the print shop; One (1) Shipping/Receiving Clerk (11) to Store Sup. (15) for a position that is critical to the warehouse and mailroom; One (1) Sec. II (13) to an Admin. Asst. I (15) that coordinates vacancy fulfillment and handles HR inquiries; and One Agency Fiscal Mgr. (22) to a P&T Fiscal Mgr. (25) that manages financials and budgets in excess of \$70 million. PARKS: One (1) Sec. II (13) to Admin. Asst. I (15), and One Sec. II (13) to Acct. Tech. II (15) for positions whose duties have expanded to interpreting park policies, accounting, and grant writing; One (1) Facility Manager I (12) to Facility Manager II (14) request for a position at Queen Wilhelmina that manages front desk operations at the lodge; One (1) Parks Super. III (22) to Park Super. IV (23), and one (1) Park Super. II (21) to Park Super. III (22) due to the relocation and construction of the Lake Ft. Smith State Park, open in 2006; One (1) Planning Specialist II to Agency Program Coord. that coordinates with over 60 interpreters; One (1) Acct. Tech. II (15) to Sec. II (13) based on the job elements; and One (1) Sup. of Cooking (13) to a Food Production Sup. (16) at the Ozark Folk Center whose duties include managerial responsibilities.
C11	ADMIN: One (1) upgrade (Grade 23 to 25) for a P&T Personnel Mgr. that supervises a professional staff of 8 and is responsible for managing all HR functions. PARKS: One (1) upgrade (Grade 23 to 25) for a Program Svcs. Mgr. that has oversight of major contracts for exhibits, audiovisual equipment, video production, has a specific set of knowledge, skills and abilities, and is responsible for staff of 60.

Analysis of Budget Request

Appropriation / Program: 500 - Conservation Tax

Funding Sources: SPT Department of Parks and Tourism Treasury Fund

This appropriation provides for the Special Revenue Funding realized from the 1/8 Cent Sales Tax levied by Amendment 75 (A.C.A. §19-6-484). The Department utilizes these funds to supplement existing funding for State Parks and to provide for their repair and further development, consistent with the referendum presented to and approved by the citizens of Arkansas in 1996.

Due to the limited occurrence of large-scale construction projects, the Department experiences recurrent balances in Conservation Tax funding. Since 1999, average fund balances from the Parks & Tourism Conservation Tax Fund have exceeded \$20 million annually. This request for unfunded appropriation (\$3,828,587 in FY06; \$9,231,689 in FY07) seeks to utilize a portion of these balances to address:

- Operation of three (3) new Visitor Information/Education Centers at Lake Dardanelle, Cossatot River, and Bull Shoals State Parks.
- Opening newly constructed facilities at Mt. Magazine and Lake Fort Smith State Parks.
- Potential shortfalls for expenses associated with the Parks Cash Fund due to a cash balance requirement of \$1.5 million for the Mt. Magazine Construction Bond.

Base Level for this appropriation includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching for seventy-nine (79) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Change Level Requests total \$5,232,163 in FY06 and \$5,260,697 in FY07. The Agency's request reflects the following changes:

Additional Operating Expense totaling \$2,901,279 each year needed to operate the new Visitor Education/Information Centers at Lake Dardanelle, the Cossatot River, and Bull Shoals, as well as the new facilities at Mt. Magazine and Lake Fort Smith.

Capital Outlay totaling \$1,295,334 each year for replacing dilapidated equipment as prescribed by Amendment 75.

Salary and Matching costs totaling \$245,195 in FY06 and \$251,772 in FY07 for seven (7) new positions to support new Visitor's Education/Information Centers at Bull Shoals, Cossatot, and Lake Fort Smith State Parks; and to provide additional staff for the new Mt. Magazine convention center facilities.

Additional Salary and Matching totaling \$718,482 in FY06 and \$738,402 in FY07 to restore twenty-four (24) positions for various State Parks that will be opening or expanding service delivery during the FY06-07 biennium.

CLIP reclassifications totaling \$68,251 in FY06 and \$70,184 in FY07 for twenty-two (22) positions, including ten (10) Parks & Tourism Support Coordinators to Admin. Asst. II, and twelve (12) Park Interpreters to Park Interpreter II in order to provide a career path for Park Interpreters where none exists.

Reclassification requests totaling \$3,616 in FY06 and \$3,726 in FY07 for one (1) Park Tech III position at Lake Dardanelle State Park that does not accurately reflect work being performed.

The Executive Recommendation, based on the Department's continued commitment to honoring its promises to the electorate as prescribed by Amendment 75, provides for the Agency Request, with the exception of reclassifications as specified. Position upgrades totaling \$32,589 in FY06 and \$33,457 in FY07 are recommended, including ten (10) Parks & Tourism Support Coordinators (Grade 14 to Grade 16) and reclassification for one (1) Park Tech III position (Grade 16 to Grade 18).

Appropriation / Program Summary

Appropriation / Program: 500 Conservation Tax
Funding Sources: SPT Department of Parks and Tourism Treasury Fund

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	1,362,912	1,918,421	2,193,327	2,011,207	2,757,546	2,725,559	2,072,664	2,842,244	2,809,300
#Positions	64	79	105	79	110	110	79	110	110
Extra Help 5010001	347,524	756,540	756,562	756,540	756,540	756,540	756,540	756,540	756,540
#Extra Help	52	88	88	88	88	88	88	88	88
Personal Services Matching 5010003	554,177	748,968	755,581	850,502	1,139,713	1,132,416	864,514	1,159,018	1,151,509
Operating Expenses 5020002	5,392,241	6,000,000	6,000,000	6,000,000	8,901,279	8,901,279	6,000,000	8,901,279	8,901,279
Travel-Conference Fees 5050009	0	0	0	0	0	0	0	0	0
Professional Fees and Services 5060010	226,100	96,760	100,000	96,760	96,760	96,760	96,760	96,760	96,760
Construction 5090005	16,193,872	17,798,749	17,798,749	17,798,749	17,798,749	17,798,749	17,798,749	17,798,749	17,798,749
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	1,416,610	1,295,334	1,295,334	0	1,295,334	1,295,334	0	1,295,334	1,295,334
Special Maintenance 5120032	1,180,860	1,649,538	1,649,538	1,649,538	1,649,538	1,649,538	1,649,538	1,649,538	1,649,538
Total	26,674,296	30,264,310	30,549,091	29,163,296	34,395,459	34,356,175	29,238,765	34,499,462	34,459,009
Funding Sources									
Fund Balance 4000005	19,727,899	14,804,322		6,788,777	6,788,777	6,788,777	0	0	0
Insurance Fund Proceeds 4000299	173,628	0		0	0	0	0	0	0
Special 1/8% Tax Revenues 4000460	21,577,091	22,248,765		22,374,519	23,778,095	23,778,095	25,267,773	25,267,773	25,267,773
Total Funding	41,478,618	37,053,087		29,163,296	30,566,872	30,566,872	25,267,773	25,267,773	25,267,773
Excess Appropriation/(Funding)	(14,804,322)	(6,788,777)		0	3,828,587	3,789,303	3,970,992	9,231,689	9,191,236
Grand Total	26,674,296	30,264,310		29,163,296	34,395,459	34,356,175	29,238,765	34,499,462	34,459,009

Actual Expenditures in FY04 exceed authorized in Capital Outlay due to a transfer from the DFA Motor Vehicle Fund.

Budget exceeds Authorized Appropriation in Professional Fees by authority of Budget Classification Transfer.

Change Level by Appropriation

Appropriation / Program: 500-Conservation Tax

Funding Sources: SPT Department of Parks and Tourism Treasury Fund

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	29,163,296	79	29,163,296	100.0	29,238,765	79	29,238,765	100.0
C01	Existing Program	5,160,292	31	34,323,588	117.6	5,186,786	31	34,425,551	117.7
C09	CLIP Reclass	68,255	0	34,391,843	117.9	70,186	0	34,495,737	117.9
C10	Reclass	3,616	0	34,395,459	117.9	3,725	0	34,499,462	117.9

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	29,163,296	79	29,163,296	100.0	29,238,765	79	29,238,765	100.0
C01	Existing Program	5,160,291	31	34,323,587	117.6	5,186,786	31	34,425,551	117.7
C09	CLIP Reclass	0	0	34,323,587	117.6	0	0	34,425,551	117.7
C10	Reclass	3,616	0	34,327,203	117.7	3,725	0	34,429,276	117.7
C11	Upgrade/Downgrade	28,972	0	34,356,175	117.8	29,733	0	34,459,009	117.8

Justification

C01	<p>NEW POSITIONS - Parks is requesting the following new positions: Park Ranger, Facility Manager II, and Park Interpreter for the new Bull Shoals Visitor's Information/Education Center (VIEC); Park Superintendent II for the new Cossatot River VIEC; Full-time Curator for the Jacksonport Museum; Park Tech II Housekeeping Supervisor for Lake Fort Smith; and a Park Superintendent IV and Park Interpreter for the new Mt. Magazine facilities currently under construction. RESTORE POSITIONS - Parks is requesting to restore the following positions: Park Tech I and Facility Manager I for Bull Shoals VIEC; Document Examiner II for Pinnacle VIEC; Facility Manager and Park Tech I for Pinnacle Mountain; Document Examiner I at Cossatot; Park Interpreter, Document Examiner I, and Facility Manager for Hobbs VIEC; Parks Ranger II for the Ozark Folk Center; Park Ranger II and Facility Manager II for the new facilities at Lake Ft. Smith; Parks Superintendent for the new Mt. Magazine Restaurant & Convention Center; HVAC Mechanical Supervisor for Old Washington; Park Admin Support Coord. for Delta Heritage Trail; Park Tech III and Parks Admin Support Coord. for the new Mississippi River project; and a Park Superintendent II, Park Ranger II, and Park Tech I allocated from the State Park's Director's Office to the Mississippi River State Park. OTHER OPERATING EXPENSE - The first portion of this change level request provides an additional \$2,901,279 each year of the biennium in M&O needed to operate the new VIEC at Lake Dardanelle and the Cossatot River which was recently completed, and for Bull Shoals White River scheduled to be completed in early FY07. Both locations will house an exhibit gallery, classrooms, gift shop, reception area and administrative offices. This additional appropriation is also necessary for the new cabins and 60 room lodge with restaurant and convention center at Mt. Magazine State Park, and the relocated and expanded park at Lake Fort Smith, both of which are scheduled to open in the spring/summer of 2006. Finally, this increase is necessary to cover M&O throughout the parks system that must use this fund center for M&O in order to maintain a \$1.4 million cash balance in Fund Center 986 as required for our bond payment for the construction of the Mt. Magazine Lodge and Cabins. The final portion of this request establishes a capital outlay line item each year of the biennium of \$1,295,334 in order to continue our commitment to the Conservation Amendment to replace worn out equipment throughout the parks system.</p>
C09	<p>The Agency requests: Ten (10) P&T Support Coordinators (Non-CLIP, 14) to be reclassified to Administrative Asst. II (CLIP, 17) positions because these employees serve as the primary administrative personnel in all State Park field locations; and Twelve (12) Park Interpreters (Non-CLIP, 18) to be reclassified to Park Interpreter II (CLIP, 19) who already meet the qualifications of a newly proposed CLIP series designed to foster growth and skills in park interpretation, and provide a career path for Park Interpreters where none exists.</p>
C10	<p>The Agency requests One (1) Park Tech III (16) to Museum Interpretive Specialist (18) for a position at Lake Dardanelle for an employee that manages the various aquariums at the new Visitor Information/Education Center, provides educational programs to the public, manages catch and release tournament program, and works with the media.</p>
C11	<p>The Executive Recommendation provides for position upgrades for ten (10) Parks & Tourism Support Coordinators (Grade 14 to Grade 16) in lieu of proposed CLIP reclassifications.</p>

Analysis of Budget Request

Appropriation / Program: 501 - Museum Natural Resources-Tax

Funding Sources: SPT Department of Parks & Tourism Treasury Fund

This appropriation provides for operating expenses of the Museum of Natural Resources (formerly the Oil and Brine Museum). Funding is derived from the Conservation Tax levied by Amendment 75 (A.C.A. §19-6-484).

The Agency Request is for Base Level of \$66,500 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 501 Museum Natural Resources-Tax
Funding Sources: SPT Department of Parks & Tourism Treasury Fund

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	66,251	66,500	66,500	66,500	66,500	66,500	66,500	66,500	66,500
Travel-Conference Fees 5050009	0	0	0	0	0	0	0	0	0
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	66,251	66,500	66,500	66,500	66,500	66,500	66,500	66,500	66,500
Funding Sources									
Special 1/8% Tax Revenues 4000460	66,251	66,500		66,500	66,500	66,500	66,500	66,500	66,500
Total Funding	66,251	66,500		66,500	66,500	66,500	66,500	66,500	66,500
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	66,251	66,500		66,500	66,500	66,500	66,500	66,500	66,500

Analysis of Budget Request

Appropriation / Program: 502 - Keep Arkansas Beautiful

Funding Sources: SBA Keep Arkansas Beautiful Fund

Act 1278 of 1997 (A.C.A. §15-11-603) established the Keep Arkansas Beautiful Commission to implement a statewide litter prevention program through the voluntary actions of local communities. This appropriation provides for the Special Revenue Funding realized from the 1/8th Cent Sales Tax levied by Amendment 75 (A.C.A. §19-6-484). This funding will be utilized to support the Keep Arkansas Beautiful Commission and its activities.

The unfunded appropriation requests (\$24,307 in FY06; \$5,538 in FY07) are petitioned to support the Agency's Change Level Requests in the event that fund balances exceed amounts budgeted herein.

Base Level for this appropriation includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching for three (3) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Change Level Requests total \$50,358 in FY06 and \$25,358 in FY07. The Agency's request reflects the following changes:

Additional Professional Fees totaling \$886 each year for improvement of the Department's website.

Additional Grants and Aid totaling \$5,000 each year to enable local coordinators to attend conferences and workshops.

Additional Capital Outlay totaling \$25,000 in FY06 for replacement of an aging vehicle used to carry displays and equipment to Department functions.

Additional Advertising totaling \$18,742 each year for the Department's website in a transition effort toward electronic communication with the public.

Reduction in Operating Expense totaling (\$1,810) each year in printing expense in favor of electronic communication with the public.

Additional Technology totaling \$2,810 each year to refit computer hardware systems in preparation for this transition.

The Executive Recommendation provides for the Agency Request, with the exception of additional Grants and Aid, which is not recommended.

Appropriation / Program Summary

Appropriation / Program: 502 Keep Arkansas Beautiful
Funding Sources: SBA Keep Arkansas Beautiful Fund

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	88,421	88,981	84,510	91,650	91,650	91,650	94,398	94,398	94,398
#Positions	3	3	3	3	3	3	3	3	3
Extra Help 5010001	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
#Extra Help	0	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	27,195	30,660	25,779	32,709	32,709	32,709	33,336	33,336	33,336
Operating Expenses 5020002	62,635	79,210	79,210	79,210	80,210	80,210	79,210	80,210	80,210
Travel-Conference Fees 5050009	633	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Professional Fees and Services 5060010	15,492	24,314	24,314	24,314	25,200	25,200	24,314	25,200	25,200
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	6,768	10,000	10,000	10,000	15,000	10,000	10,000	15,000	10,000
Capital Outlay 5120011	0	0	0	0	25,000	25,000	0	0	0
Advertising Expense 5900047	294,606	301,428	301,428	301,428	319,900	319,900	301,428	319,900	319,900
Total	495,750	538,593	529,241	543,311	593,669	588,669	546,686	572,044	567,044
Funding Sources									
Fund Balance 4000005	111,509	67,485		35,960	35,960	35,960	0	0	0
Special 1/8% Tax Revenues 4000460	451,726	507,068		507,351	533,402	533,402	546,686	566,506	566,506
Total Funding	563,235	574,553		543,311	569,362	569,362	546,686	566,506	566,506
Excess Appropriation/(Funding)	(67,485)	(35,960)		0	24,307	19,307	0	5,538	538
Grand Total	495,750	538,593		543,311	593,669	588,669	546,686	572,044	567,044

The FY05 Budgeted amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2003-2005 biennium.

Change Level by Appropriation

Appropriation / Program: 502-Keep Arkansas Beautiful

Funding Sources: SBA Keep Arkansas Beautiful Fund

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	543,311	3	543,311	100.0	546,686	3	546,686	100.0
C01	Existing Program	49,358	0	592,669	109.0	24,358	0	571,044	104.4
C03	Discontinue Program	(1,810)	0	590,859	108.7	(1,810)	0	569,234	104.1
C08	Technology	2,810	0	593,669	109.2	2,810	0	572,044	104.6

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	543,311	3	543,311	100.0	546,686	3	546,686	100.0
C01	Existing Program	44,358	0	587,669	108.1	19,358	0	566,044	103.5
C03	Discontinue Program	(1,810)	0	585,859	107.8	(1,810)	0	564,234	103.2
C08	Technology	2,810	0	588,669	108.3	2,810	0	567,044	103.7

Justification

C01	Keep Arkansas Beautiful is moving toward greater utilization of electronic technology to communicate and educate citizens about the harmful consequences of litter, the benefits of waste reduction and recycling and to encourage public beautification. KArB would like to invest in improving the content, navigation and design of the division's web page to accomplish these goals. KArB is requesting an increase to apply toward accomplishing this priority area. KArB is also asking for an increase in grant funds to be used to enable local coordinators, often citizen volunteers, to attend our activities (workshops, conferences, statewide training sessions). KArB is also requesting equipment expense in FY06 to replace an 8 year old vehicle with high mileage which is increasingly unreliable and often inadequate to carry the volume and size of displays, supplies and equipment routinely used for events.
C03	This request will decrease printing expenses. Printing expenses are being reduced in favor of electronic communications.
C08	To better utilize our technology efficiencies, computer hardware and systems need to be upgraded and replaced.

Analysis of Budget Request

Appropriation / Program: 504 - Tourism Promotion

Funding Sources: TDT Tourism Development Trust

Act 629 of 1989 (A.C.A. §19-5-956) established the Tourism Development Trust Fund to promote tourism in Arkansas. Pursuant to A.C.A. §26-52-1006, funding is derived from a 2% Gross Receipts Tax on tourist-related business. The Department utilizes this appropriation for operating expenses to promote Arkansas tourism through advertising and website promotion, grassroots campaigns, and printed materials.

Since 1999, the 2% Gross Receipts Tax on tourist-related business has increased an average of 9.6% each biennium. Biennial funding levels are based on internal projections provided by the Department.

Base Level for this appropriation includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching for seven (7) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Change Level Requests total \$928,203 in FY06 and \$1,395,892 in FY07. The Agency's request reflects the following changes:

Additional Advertising totaling \$1,013,894 in FY06 and \$1,495,923 in FY07 in order to maintain an active presence in the marketplace for perspective travelers and to remain competitive with surrounding states by expanding Internet campaigns and purchasing additional broadcast time.

Additional Capital Outlay totaling \$50,000 each year to replace/upgrade capital equipment and Department vehicles that are in disrepair.

Tourist Promotion totaling \$50,000 in FY06 and \$100,000 in FY07 to provide an increase to the Regional Matching funds program to support grassroots promotion of local tourism attractions.

Reduction in Operating Expense totaling (\$230,500) in FY06 and (\$294,840) in FY07 for postage and printing as a result of decreased demand for printed publications in lieu of the Arkansas.com website.

Additional Technology totaling \$44,809 each year for computer hardware, software, and networking services to improve departmental communication with ad agency counterparts and the Arkansas tourism industry, as outlined in the Agency's Technology Plan.

The Executive Recommendation provides for the Agency Request, with Base Level reductions each year of \$3,000 in Travel and \$15,000 in Professional Fees.

Appropriation / Program Summary

Appropriation / Program: 504 Tourism Promotion
Funding Sources: TDT Tourism Development Trust

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	157,563	172,082	174,177	179,304	179,304	179,304	184,851	184,851	184,851
#Positions	7	7	7	7	7	7	7	7	7
Extra Help 5010001	11,640	18,999	19,000	19,000	19,000	19,000	19,000	19,000	19,000
#Extra Help	3	5	5	5	5	5	5	5	5
Personal Services Matching 5010003	55,367	65,062	57,029	69,986	69,986	69,986	71,252	71,252	71,252
Operating Expenses 5020002	1,130,382	1,733,705	2,090,976	1,733,705	1,548,014	1,548,014	1,733,705	1,483,674	1,483,674
Travel-Conference Fees 5050009	0	6,860	6,860	6,860	6,860	3,860	6,860	6,860	3,860
Professional Fees and Services 5060010	0	25,000	25,000	25,000	25,000	10,000	25,000	25,000	10,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	4,342	45,000	49,000	0	50,000	50,000	0	50,000	50,000
Tourist Promotion 5900046	662,490	712,490	712,490	712,490	762,490	762,490	712,490	812,490	812,490
Advertising 5900047	6,389,442	6,933,896	6,949,272	6,933,896	7,947,790	7,947,790	6,933,896	8,429,819	8,429,819
Total	8,411,226	9,713,094	10,083,804	9,680,241	10,608,444	10,590,444	9,687,054	11,082,946	11,064,946
Funding Sources									
Fund Balance 4000005	674,359	905,203		523,669	523,669	523,669	0	0	10,669
Trust Fund 4000050	8,631,337	9,320,827		9,156,572	10,066,496	10,066,496	9,687,054	10,871,813	10,871,813
Interest Income / Royalties 4000307	10,733	10,733		0	10,948	10,948	0	11,167	11,167
Total Funding	9,316,429	10,236,763		9,680,241	10,601,113	10,601,113	9,687,054	10,882,980	10,893,649
Excess Appropriation/(Funding)	(905,203)	(523,669)		0	7,331	(10,669)	0	199,966	171,297
Grand Total	8,411,226	9,713,094		9,680,241	10,608,444	10,590,444	9,687,054	11,082,946	11,064,946

The FY05 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2003-2005 biennium.

Change Level by Appropriation

Appropriation / Program: 504-Tourism Promotion

Funding Sources: TDT Tourism Development Trust

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	9,680,241	7	9,680,241	100.0	9,687,054	7	9,687,054	100.0
C01	Existing Program	1,113,894	0	10,794,135	111.5	1,645,923	0	11,332,977	116.9
C03	Discontinue Program	(230,500)	0	10,563,635	109.1	(294,840)	0	11,038,137	113.9
C08	Technology	44,809	0	10,608,444	109.5	44,809	0	11,082,946	114.4

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	9,680,241	7	9,680,241	100.0	9,687,054	7	9,687,054	100.0
C01	Existing Program	1,113,894	0	10,794,135	111.5	1,645,923	0	11,332,977	116.9
C03	Discontinue Program	(230,500)	0	10,563,635	109.1	(294,840)	0	11,038,137	113.9
C08	Technology	44,809	0	10,608,444	109.5	44,809	0	11,082,946	114.4
C19	Executive Changes	(18,000)	0	10,590,444	109.4	(18,000)	0	11,064,946	114.2

Justification

C01	The first request is to replace or upgrade capital equipment and vehicles as needed. The division's vehicles are aging (most have over 100,000 miles) and maintenance costs continue to increase. Funds will be used to purchase at least one replacement vehicle per year. In addition, monies will be invested in new digital photographic equipment to ensure that the photo library can meet the needs of publishers/editors from across the country. The second request will allow a needed boost to our advertising investments. As the tourism industry becomes increasingly competitive, Arkansas must maintain an active presence in the marketplace, getting our message in front of perspective travelers. The additional funds will allow us to expand our Internet campaigns and to purchase additional broadcast time. The final request will allow an increase in the Regional Matching Funds program, which supports grassroots promotion of local tourism attractions. The state's 12 tourist regions work hand-in-hand with the state, focusing consumer attention on local destinations and events. The additional funding will allow the regions to maintain and expand their advertising campaigns, reaching more travelers with their unique marketing message.
C03	This request is to decrease funds used for postage and printing. This is largely due to increased usage of the department's Arkansas.com website (where travel information can be readily downloaded), demand for publications has decreased. At the same time, other fulfillment costs (handling, postage) have also shown declines.
C08	This request is for WAN network services, computer hardware, and computer software. For the Tourism division to operate in an efficient and cost-effective manner, continued investment in technology is required. Staff will be able to produce work in a more timely manner, and can communicate better with their ad agency counterparts and the Arkansas tourism industry.
C19	The Executive Recommendation provides for Base Level reductions of \$3,000 in Travel and \$15,000 in Professional Fees.

Analysis of Budget Request

Appropriation / Program: 579 - Outdoor Recreation Grants

Funding Sources: MPT Parks & Tourism Outdoor Recreation

The Department utilizes this appropriation for operating expenses and outdoor recreational grants to cities and counties. Funding is derived from the State Parks' portion of the proceeds of the Real Estate Transfer Tax increase levied by Act 729 of 1987, and further increased by Act 1181 of 1993 (A.C.A. §26-60-105).

The timeliness of grant distribution is dependent upon the ability of selected cities and counties to commit to these projects. Therefore, abundant levels of appropriation must be provided each year of the biennium in the event that projects scheduled for FY06 must be moved to FY07, and vice versa. Since 1999, the Outdoor Recreation Grants Program has averaged in excess of \$4 million in fund balances. The unfunded appropriation requests (\$3,680,156 in FY06; \$6,041,035 in FY07) will be absorbed by these recurring substantial balances.

One (1) Base Level Extra Help position has been transferred from an NCRC grant appropriation that has been discontinued (Appropriation 1DM) due to the flexibility inherent in the authorization of all positions through one salary section in appropriation acts. This position will aid in a continued data processing effort to convert hundreds of grant records into electronic documents.

Base Level for this appropriation includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching for five (5) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Change Level Requests total \$2,385,311 in FY06 and \$3,568,454 in FY07. The Agency's request reflects the following changes:

Additional Grant appropriation totaling \$2,333,452 in FY06 and \$3,516,327 in FY07 to award Outdoor Recreation Grants to eligible local and county governments. While a large amount of this appropriation will be unfunded, the authority to distribute these grants must be available in each year of the biennium, based on a myriad of local implementation factors that determine disbursement and are beyond the Department's control.

Capital Outlay requests totaling \$30,000 each year for vehicle replacement.

Additional Operating Expense of \$12,980 each year for furniture and computer replacement.

Reclassification requests totaling \$8,879 in FY06 and \$9,147 in FY07 for three (3) Management Project Analyst II positions to Program Support Managers to accurately reflect the functional expectations of these positions.

The Executive Recommendation provides for Base Level, with an additional \$30,000 each year in Capital Outlay for vehicle replacement.

Appropriation / Program Summary

Appropriation / Program: 579 Outdoor Recreation Grants
Funding Sources: MPT Parks & Tourism Outdoor Recreation

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	184,423	181,851	181,310	187,167	194,398	187,167	192,604	200,053	192,604
#Positions	5	5	5	5	5	5	5	5	5
Extra Help 5010001	0	0	0	14,760	14,760	14,760	15,210	15,210	15,210
#Extra Help	0	0	1	1	1	1	1	1	1
Personal Services Matching 5010003	51,826	58,391	50,034	63,602	65,250	63,602	64,896	66,594	64,896
Operating Expenses 5020002	36,993	37,020	37,020	37,020	50,000	37,020	37,020	50,000	37,020
Travel-Conference Fees 5050009	78	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	1,155,103	5,059,514	5,059,514	5,059,514	7,392,966	5,059,514	5,059,514	8,575,841	5,059,514
Capital Outlay 5120011	0	0	0	0	30,000	30,000	0	30,000	30,000
Total	1,428,423	5,338,276	5,329,378	5,363,563	7,748,874	5,393,563	5,370,744	8,939,198	5,400,744
Funding Sources									
Fund Balance 4000005	4,252,842	4,978,085		1,570,302	1,570,302	1,570,302	0	0	0
Special Revenue 4000030	2,153,666	1,930,493		2,498,416	2,498,416	2,498,416	2,898,163	2,898,163	2,898,163
Total Funding	6,406,508	6,908,578		4,068,718	4,068,718	4,068,718	2,898,163	2,898,163	2,898,163
Excess Appropriation/(Funding)	(4,978,085)	(1,570,302)		1,294,845	3,680,156	1,324,845	2,472,581	6,041,035	2,502,581
Grand Total	1,428,423	5,338,276		5,363,563	7,748,874	5,393,563	5,370,744	8,939,198	5,400,744

The FY05 Budgeted amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2003-2005 biennium.

Change Level by Appropriation

Appropriation / Program: 579-Outdoor Recreation Grants

Funding Sources: MPT Parks & Tourism Outdoor Recreation

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	5,363,563	5	5,363,563	100.0	5,370,744	5	5,370,744	100.0
C01	Existing Program	2,376,432	0	7,739,995	144.3	3,559,307	0	8,930,051	166.2
C10	Reclass	8,879	0	7,748,874	144.4	9,147	0	8,939,198	166.4

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	5,363,563	5	5,363,563	100.0	5,370,744	5	5,370,744	100.0
C01	Existing Program	30,000	0	5,393,563	100.5	30,000	0	5,400,744	100.5
C10	Reclass	0	0	5,393,563	100.5	0	0	5,400,744	100.5

Justification

C01	The Agency's Change Level request reflects the following changes: Extra Help – This funding of \$14,760 in FY06 and \$15,210 for FY07 is needed to continue on-going project to digitize hundreds of grant records for the Outdoor Recreation Grants Program (ORG). The ORGP is responsible for maintaining and accessing grantee information dating from 1966, as part of monitoring projects for compliance with federal and state grant requirements. Due to the large volume of files and lack of storage space, digitizing the records will save space and provide quick access to municipal, county and state grantee's data; Matching – This funding of \$4,428 in FY06 and \$4,563 in FY07 is needed for an extra help position needed for the Outdoor Recreation Grants Program for grant records digitization; M&O – Additional funding of \$12,980 in each year of the biennium is needed to replace deteriorated office furniture and outdated computers. This request also asks for an increase in official business travel for meals and lodging due to increased inspections and training by the staff to monitor the growing number of grants, to include the Trails for Life Program (re: Tobacco Settlement Proceeds Act); and Capital Outlay – This line item of \$30,000 each year of the biennium is needed for vehicle replacement. Lastly, additional appropriation of \$2,333,452 in FY06 and \$3,516,327 in FY07 is necessary to award Outdoor Recreation Grants to eligible local and county governments, based on projected revenues from the Real Estate Transfer Tax (Act 729 of 1987, as amended). This request also includes projected carry forward balances for projects underway in FY04/05.
C10	The Agency requests Three (3) Mgmt. Project Analyst II (20) to Program Support Mgr. (22) for with the Outdoor Recreation Grants Division. These positions manage three state and one federal grant programs to local governments, meet with mayors, judges, legislators, and the governor's office, provide technical assistance, review grant proposals and enforce grant guidelines and regulations.

Analysis of Budget Request

Appropriation / Program: 984 - Museum Natural Resources-Treasury

Funding Sources: NPT Cash in Treasury (Parks Oil Museum)

The Department utilizes this appropriation for personal services and operating expenses of the Museum of Natural Resources. Pursuant to Arkansas Code §26-58-302, funding is derived from a 2 cents per barrel tax on oil produced in the State and a 10 cents per 1,000 barrels tax on brine produced in the State for bromine extraction.

Base Level for this appropriation includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching for seven (7) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Change Level Requests total \$28,500 each year. The Agency's request reflects the following changes:

Additional Operating Expense of \$6,500 each year for maintenance of the historic oil field and interpretive exhibits.

Travel and Conference Fees totaling \$500 to address minimum training needs of the museum staff management.

Resale/Cost of Goods sold totaling \$21,500 each year to fund purchase for resale for the museum's gift shop.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 984 Museum Natural Resources-Treasury
Funding Sources: NPT Cash in Treasury (Parks Oil Museum)

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	135,116	171,088	178,722	176,228	176,228	176,228	181,511	181,511	181,511
#Positions	6	7	7	7	7	7	7	7	7
Extra Help 5010001	3,944	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
#Extra Help	2	3	3	3	3	3	3	3	3
Personal Services Matching 5010003	51,547	62,575	57,113	68,230	68,230	68,230	69,435	69,435	69,435
Operating Expenses 5020002	1,234	0	6,500	0	6,500	6,500	0	6,500	6,500
Travel-Conference Fees 5050009	0	0	500	0	500	500	0	500	500
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Resale (COGS) 5090017	3,775	0	21,500	0	21,500	21,500	0	21,500	21,500
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	195,616	243,663	274,335	254,458	282,958	282,958	260,946	289,446	289,446
Funding Sources									
Fund Balance 4000005	3,686	16,924		0	0	0	0	0	0
Cash Fund 4000045	208,854	226,739		206,000	206,000	206,000	212,180	212,180	212,180
Total Funding	212,540	243,663		206,000	206,000	206,000	212,180	212,180	212,180
Excess Appropriation/(Funding)	(16,924)	0		48,458	76,958	76,958	48,766	77,266	77,266
Grand Total	195,616	243,663		254,458	282,958	282,958	260,946	289,446	289,446

The FY05 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2003-2005 biennium.

Change Level by Appropriation

Appropriation / Program: 984-Museum Natural Resources-Treasury
Funding Sources: NPT Cash in Treasury (Parks Oil Museum)

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	254,458	7	254,458	100.0	260,946	7	260,946	100.0
C01	Existing Program	28,500	0	282,958	111.2	28,500	0	289,446	110.9

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	254,458	7	254,458	100.0	260,946	7	260,946	100.0
C01	Existing Program	28,500	0	282,958	111.2	28,500	0	289,446	110.9

Justification

C01	M&O – This request is to reinstate \$6,500 in order to maintain the historic oil field and interpretive exhibits, make repairs to the older exhibits in the museum building and address the growing maintenance and operation needs throughout the museum complex. Travel – Conference Fees – This \$500 increase is needed to address minimum training needs of the museum management staff, allowing them to remain up-to-date with their visitor’s educational and interpretive needs. Resale – This \$21,500 increase is to adequately fund purchase for resale for the museum’s gift shop.
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Analysis of Budget Request

Appropriation / Program: 986 - Parks Treasury Paying

Funding Sources: NPT Cash in Treasury (Parks Fund)

This appropriation is financed by cash receipts and interest income generated by the State Park System. Cash receipts include the fees charged for park facility usage and/or property rentals, the sale of items purchased from gift shops, restaurant operations, and other miscellaneous receipts. The Department utilizes this appropriation to provide staff and operational support to park and museum activities.

The Mt. Magazine Construction Bond requires that \$1.5 million in available cash remain in this fund at all times. This retainer provides a lower rate of interest for the bond service schedule. As a result, several warrants routinely issued from this account will be assigned to the Department's Conservation Tax Fund (Appropriation 500). The unfunded balance of this request (\$2,995,536 in FY06; \$1,399,995 in FY07) is based on internal projections for revenue generated by these and other new facilities.

Base Level for this appropriation includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching for one-hundred-one (101) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Change Level Requests total \$1,607,924 in FY06 and \$2,202,550 in FY07. The Agency's request reflects the following changes:

Salary and Matching totaling \$203,307 in FY06 and \$209,514 in FY07 for seven (7) new positions, including; six (6) hospitality-related positions at Devil's Den, Lake Catherine, Mt. Magazine, and Queen Wilhelmena State Parks; and one (1) Curator position for the Jacksonport Museum.

Salary and Matching totaling \$522,817 in FY06 and \$538,610 in FY07 to restore twenty-one (21) positions for new facilities at Lake Ft. Smith, Bull Shoals, Mt. Magazine State Parks that are projected to open during this biennium, and for existing facilities at the Ozark Folk Center.

Extra Help and Matching totaling \$68,649 in FY06 and \$274,636 in FY07 to maintain the 60 room lodge, restaurant, conference facilities, and cabins at Mt. Magazine that will open in FY06.

Travel and Conference Fees totaling \$7,700 each year to train Park staff.

Additional Professional Fees in the amount of \$100,000 each year for celebrity performers and to increase advertising and website budgets for the state's fifty-two state parks.

Additional Resale/Cost of Goods Sold totaling \$89,801 in FY06 and \$439,473 in FY07 to cover anticipated annual increases from suppliers and the addition of the Mt. Magazine retail

operations.

Capital Outlay amounting to \$50,000 annually for vehicle replacement and equipment maintenance.

CLIP Reclassifications totaling \$27,648 in FY06 and \$28,475 in FY07 for ten (10) positions, including five (5) Parks & Tourism Support Coordinators to Admin. Asst. II, and four (4) Park Interpreters to Park Interpreter II in order to provide a career path for Park Interpreters.

The Executive Recommendation provides for the Agency Request, with the exception of reclassifications as specified and one (1) Accounting Tech I position. Position upgrades totaling \$14,544 in FY06 and \$14,979 in FY07 are recommended, including five (5) Parks & Tourism Support Coordinators (Grade 14 to Grade 16) and one CLIP reclassification for an Administrative Assistant I to Administrative Assistant II (Grade 15 to Grade 17).

Appropriation / Program Summary

Appropriation / Program: 986 Parks Treasury Paying
Funding Sources: NPT Cash in Treasury (Parks Fund)

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	2,047,177	2,496,793	2,857,464	2,607,235	3,133,488	3,105,496	2,687,253	3,232,108	3,203,195
#Positions	88	101	120	101	129	128	101	129	128
Extra Help 5010001	2,860,653	2,906,423	3,192,171	2,906,419	2,967,881	2,967,881	2,906,419	3,152,267	3,152,267
#Extra Help	567	643	643	643	643	643	643	643	643
Personal Services Matching 5010003	1,174,062	1,251,398	1,138,882	1,322,635	1,557,341	1,547,122	1,340,877	1,601,409	1,590,983
Operating Expenses 5020002	3,753,775	3,526,282	6,762,036	3,526,282	3,526,282	3,526,282	3,526,282	3,526,282	3,526,282
Travel-Conference Fees 5050009	6,381	12,300	12,300	12,300	20,000	20,000	12,300	20,000	20,000
Professional Fees and Services 5060010	306,724	587,700	487,700	587,700	687,700	687,700	587,700	687,700	687,700
Construction 5090005	73,237	0	153,619	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Resale (COGS) 5090017	2,547,822	2,675,326	2,921,141	2,675,326	2,765,127	2,765,127	2,675,326	3,114,799	3,114,799
Capital Outlay 5120011	33,990	10,000	300,000	0	50,000	50,000	0	50,000	50,000
Debt Service 5120019	1,106,947	2,830,042	4,000,000	2,830,042	2,830,042	2,830,042	2,830,042	2,830,042	2,830,042
Outsource Contingency 5130018	0	0	0	0	538,002	538,002	0	554,142	554,142
Contractual Services 5900043	293,924	336,177	336,177	336,177	336,177	336,177	336,177	336,177	336,177
Total	14,204,692	16,632,441	22,161,490	16,804,116	18,412,040	18,373,829	16,902,376	19,104,926	19,065,587
Funding Sources									
Fund Balance 4000005	2,940,064	2,664,667		106,626	106,626	106,626	0	0	0
Cash Fund 4000045	13,929,295	14,074,400		15,309,878	15,309,878	15,309,878	16,902,376	17,704,931	17,704,931
Total Funding	16,869,359	16,739,067		15,416,504	15,416,504	15,416,504	16,902,376	17,704,931	17,704,931
Excess Appropriation/(Funding)	(2,664,667)	(106,626)		1,387,612	2,995,536	2,957,325	0	1,399,995	1,360,656
Grand Total	14,204,692	16,632,441		16,804,116	18,412,040	18,373,829	16,902,376	19,104,926	19,065,587

Contingency reflects a plan under consideration to outsource operations of the new convention facilities at Mt. Magazine. Construction projects have been reassigned to other funds.

Budget exceeds Authorized Appropriation in Professional Fees by authority of Budget Classification Transfer. FY05 Budgeted amount in Personal Services Matching exceeds authorized amount due to matching rate adjustments during the 2003-2005 biennium.

Change Level by Appropriation

Appropriation / Program: 986-Parks Treasury Paying
Funding Sources: NPT Cash in Treasury (Parks Fund)

Agency Request

Change Level	2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL Base Level	16,804,116	101	16,804,116	100.0	16,902,376	101	16,902,376	100.0
C01 Existing Program	1,042,274	28	17,846,390	106.2	1,619,933	28	18,522,309	109.5
C05 Unfunded Appropriation	538,002	0	18,384,392	109.4	554,142	0	19,076,451	112.8
C09 CLIP Reclasp	27,648	0	18,412,040	109.5	28,475	0	19,104,926	113.0

Executive Recommendation

Change Level	2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL Base Level	16,804,116	101	16,804,116	100.0	16,902,376	101	16,902,376	100.0
C01 Existing Program	1,017,172	27	17,821,288	106.0	1,594,095	27	18,496,471	109.4
C05 Unfunded Appropriation	538,002	0	18,359,290	109.2	554,142	0	19,050,613	112.7
C09 CLIP Reclasp	3,746	0	18,363,036	109.2	3,858	0	19,054,471	112.7
C11 Upgrade/Downgrade	10,793	0	18,373,829	109.3	11,116	0	19,065,587	112.8

Justification

C01	The first request provides for an increase in extra help for FY06 of \$61,462 and FY07 of \$245,848 for the 60 room lodge, restaurant, conference facilities and 13 cabins that will open in the spring FY06. Next, a matching increase for FY06 of \$12,292 and FY07 \$49,170 is necessary for the large number of employees that will be hired to run the Mt. Magazine Lodge complex. Additionally, a planned 3% annual COLA for extra help employees who maintain and operate numerous revenue facilities throughout the ASP system. This request also includes an increase of \$7,700 each fiscal year to address training needs of park staff responsible for managing, operating and administering state parks and museums. Additional Professional Fees of \$100,000 each year of the biennium are necessary in order for the Ozark Folk Center to increase revenues by providing celebrity performers at their popular concert series and to increase the state park system's advertising and web site budgets, necessary to inform and attract visitors to the 52 state parks. Subsequently, the Agency requests to re-establish Capital Outlay in the amount of \$50,000 annually for vehicle replacement and other equipment needs in the park system's central and regional offices. An increase in resale (Cost of Sales) in FY06 (\$89,801) and FY07 (\$439,473) is necessary to cover anticipated annual increases from suppliers impacting the system's retail facilities and establishing authority at Mt. Magazine for the restaurant, gift shop and other related retail sales. Finally, the contingency line item request would be utilized if the decision was made to utilize a management company to manage and operate Mt. Magazine Lodge and Cabin Complex. An appropriation of \$538,002 for FY06 and \$554,142 for FY07 would be needed. NEW POSITIONS - Three (3) Cashier II (12) positions to handle increases in business activity at Devil's Den, Lake Catherine, and Mt. Magazine, respectively; One (1) Acct. Tech. I (12) to act as a Night Auditor at Mt. Magazine; Two (2) Park Aide I (7) positions for dishwashers at Queen Wilhelmina and Mt. Magazine, respectively; One (1) Facility Mgr. II (14) to act as an Asst. Group Sales Mgr. for Mt. Magazine; and One (1) Cook II (10) at Queen Wilhelmina to satisfy increased demand at the highest revenue food service facility in the Parks system. RESTORE POSITIONS: Food Production Manager, Food Production Supervisor, Park Techs I and III, Cook II(3), Document Examiner I(5), and Wait Staff(3) for the new Mt. Magazine Restaurant & Convention Center; and One (1) Cashier II at Bull Shoals.
C05	This change level would be utilized if the decision was made to utilize a management company to manage and operate Mt. Magazine Lodge and Cabin Complex. An appropriation of \$538,002 for FY06 and \$554,142 for FY07 would be needed.
C09	The Agency requests: Five (5) P&T Support Coordinators (Non-CLIP, 14) to be reclassified to Administrative Asst. II (CLIP, 17) positions because these employees serve as the primary administrative personnel in all State Park field locations; Four (4) Park Interpreters (Non-CLIP, 18) to be reclassified to Park Interpreter II (CLIP, 19) who already meet the qualifications of a newly proposed CLIP series designed to foster growth and skills in park interpretation, and provide a career path for Park Interpreters where now none exists; and one (1) Admin. Asst. I (Non-CLIP, 15) to be reclassified to Admin. Asst. II (CLIP, 17) responsible for monitoring expenditures, performing AASIS functions, handling complaints, preparing narratives, analyzing and preparing budget information for internal orders, and training staff.
C11	The Executive Recommendation provides for position upgrades for five (5) Parks & Tourism Support Coordinators (Grade 14 to Grade 16) in lieu of proposed CLIP reclassifications.

Analysis of Budget Request

Appropriation / Program: 994 - Retirement/Relocate Promotion

Funding Sources: HGA Parks & Tourism Account

Act 609 of 1997 (A.C.A. §25-13-301) created the Retirement and Relocation Program to promote economic development of the State by encouraging retirees to relocate to Arkansas. Funding is derived from General Revenues. The Department utilizes the appropriation for advertising expenses to encourage retirees to relocate to Arkansas.

The Agency Request is for Base Level, as well as a Change Level Request of \$21,722 each year in Operating Expense for postage, printing and other marketing necessities, thereby restoring the Program to its previously authorized level.

The Executive Recommendation provides for Base Level.

Appropriation / Program Summary

Appropriation / Program: 994 Retirement/Relocate Promotion
Funding Sources: HGA Parks & Tourism Account

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	16,659	26,659	48,381	26,659	48,381	26,659	26,659	48,381	26,659
Travel-Conference Fees 5050009	0	0	0	0	0	0	0	0	0
Professional Fees and Services 5060010	2,990	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Advertising Expense 5900047	198,619	198,619	198,619	198,619	198,619	198,619	198,619	198,619	198,619
Total	218,268	228,278	250,000	228,278	250,000	228,278	228,278	250,000	228,278
Funding Sources									
General Revenue 4000010	218,268	228,278		228,278	250,000	228,278	228,278	250,000	228,278
Total Funding	218,268	228,278		228,278	250,000	228,278	228,278	250,000	228,278
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	218,268	228,278		228,278	250,000	228,278	228,278	250,000	228,278

Change Level by Appropriation

Appropriation / Program: 994-Retirement/Relocate Promotion

Funding Sources: HGA Parks & Tourism Account

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	228,278	0	228,278	100.0	228,278	0	228,278	100.0
C01	Existing Program	21,722	0	250,000	109.5	21,722	0	250,000	109.5

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	228,278	0	228,278	100.0	228,278	0	228,278	100.0
C01	Existing Program	0	0	228,278	100.0	0	0	228,278	100.0

Justification

C01 This request is to restore funds to the Retirement & Relocation program from a previous budget cut. Because of a number of key factors (climate, location, public facilities, tax structure, cost of living), Arkansas is well-positioned to become an even more important player in the retirement/relocation industry. However, other states (notably Mississippi and Alabama) have also recognized the economic potential of these new citizens and are aggressively pursuing this niche. For Arkansas to compete in attracting these desirable new residents, full funding of the program is required.

Analysis of Budget Request

Appropriation / Program: 995 - Tourism-Treasury Paying

Funding Sources: NPT Cash in Treasury (Tourism Operations)

This appropriation provides for the operation of the Gift Shop in the Central Office. Funding is derived from the sale of merchandise from the Gift Shop.

Items for resale are purchased in bulk as necessary. Since 1999, this appropriation has averaged in excess of \$60,000 in fund balances. The unfunded balance of this request (\$31,115 in FY06; \$50,200 in FY07) will be covered by these projected balances.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 995 Tourism-Treasury Paying
Funding Sources: NPT Cash in Treasury (Tourism Operations)

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	18,993	40,200	40,200	40,200	40,200	40,200	40,200	40,200	40,200
Travel-Conference Fees 5050009	0	0	0	0	0	0	0	0	0
Professional Fees and Services 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Resale (COGS) 5090017	8,617	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	27,610	65,200	65,200	65,200	65,200	65,200	65,200	65,200	65,200
Funding Sources									
Fund Balance 4000005	82,901	69,285		19,085	19,085	19,085	0	0	0
Cash Fund 4000045	13,994	15,000		15,000	15,000	15,000	15,000	15,000	15,000
Total Funding	96,895	84,285		34,085	34,085	34,085	15,000	15,000	15,000
Excess Appropriation/(Funding)	(69,285)	(19,085)		31,115	31,115	31,115	50,200	50,200	50,200
Grand Total	27,610	65,200		65,200	65,200	65,200	65,200	65,200	65,200

Analysis of Budget Request

Appropriation / Program: 996 - Entertainers Hall of Fame-Treas

Funding Sources: NPT Cash in Treasury (Parks & Tourism Hall of Fame)

Act 671 of 1985 (A.C.A. §13-9-101) as amended, created the Arkansas Entertainers Hall of Fame Board to honor individuals who by achievement or service have made outstanding and lasting contributions in entertainment. During the 81st General Assembly, Act 255 of 1997 transferred the authority and responsibility for the administration of the Arkansas Hall of Fame to the Arkansas Department of Parks and Tourism. Additional funding is provided by donations from private sources and the City of Pine Bluff where the Agency is located. This appropriation provides for the operation of the Arkansas Entertainers Hall of Fame.

The Agency's Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 996 Entertainers Hall of Fame-Treas
Funding Sources: NPT Cash in Treasury (Parks & Tourism Hall of Fame)

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	28,766	0	0	0	0	0	0	0	0
Various Exp. - Entertainers Hall 5900046	0	49,633	75,347	49,633	49,633	49,633	49,633	49,633	49,633
Total	28,766	49,633	75,347	49,633	49,633	49,633	49,633	49,633	49,633
Funding Sources									
Fund Balance 4000005	75,496	47,618		0	0	0	0	0	0
Cash Fund 4000045	888	2,015		1,500	1,500	1,500	1,500	1,500	1,500
Total Funding	76,384	49,633		1,500	1,500	1,500	1,500	1,500	1,500
Excess Appropriation/(Funding)	(47,618)	0		48,133	48,133	48,133	48,133	48,133	48,133
Grand Total	28,766	49,633		49,633	49,633	49,633	49,633	49,633	49,633